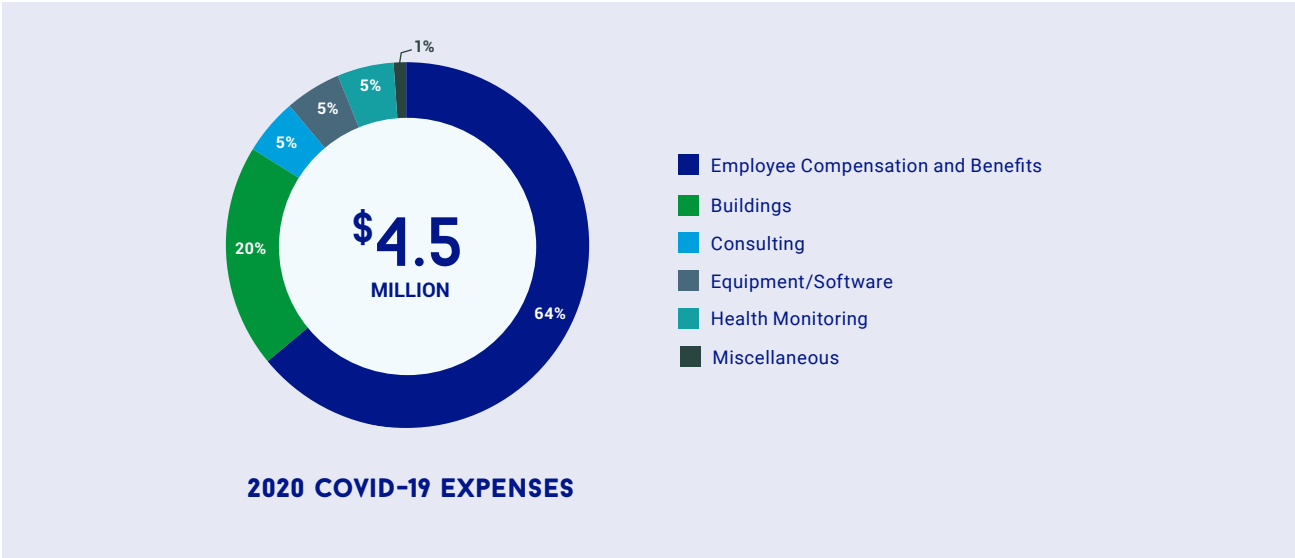
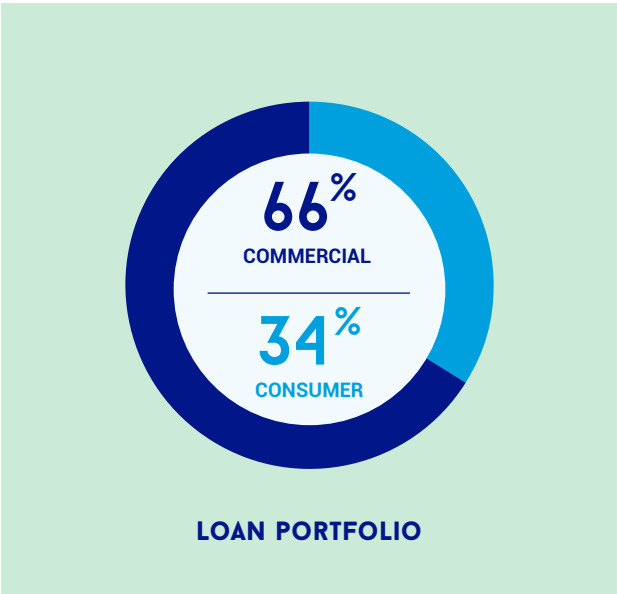


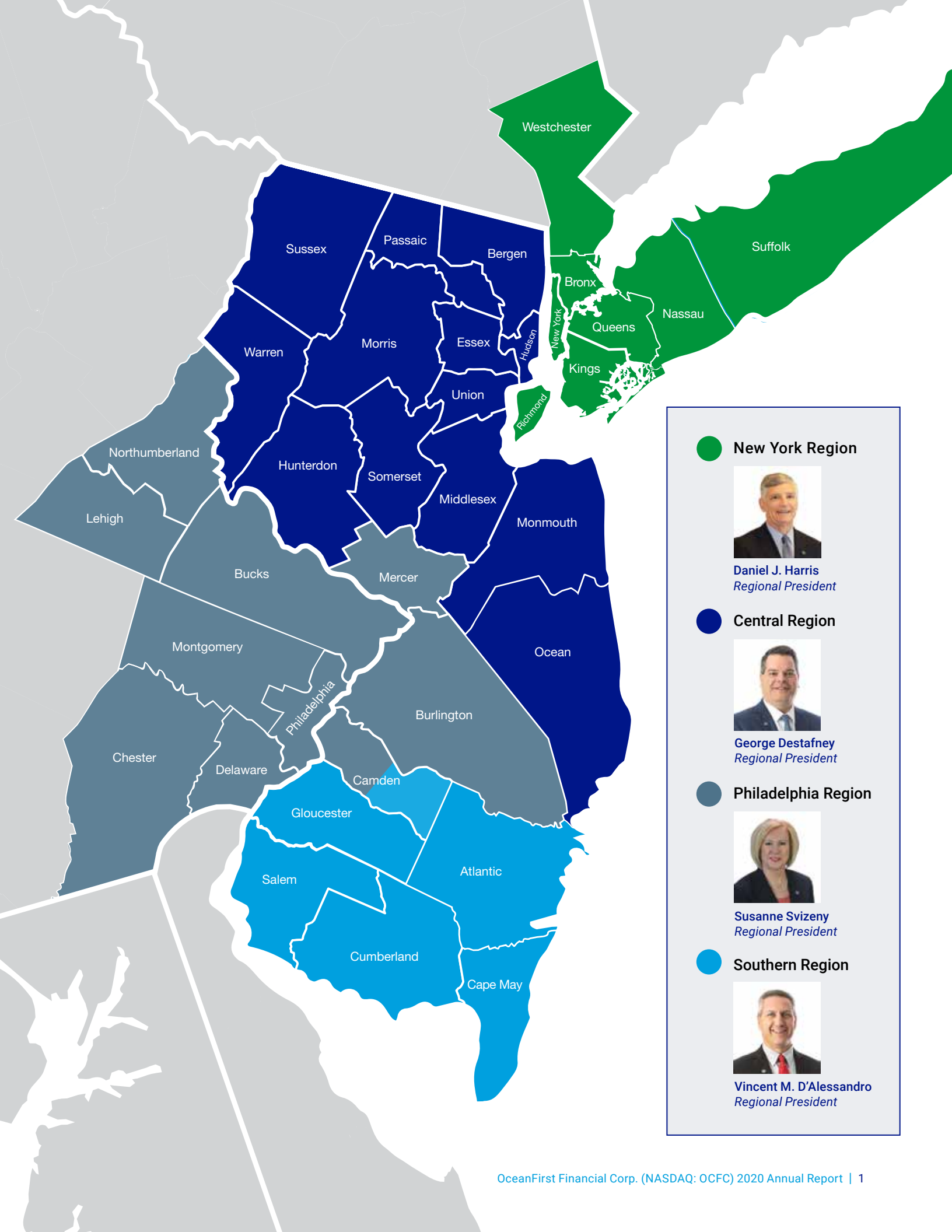


OCEANFIRST FINANCIAL CORP.
2020 Annual Report

AT-A-GLANCE

OceanFirst Financial Corp.'s subsidiary, OceanFirst Bank N.A., founded in 1902, is a regional bank operating throughout New Jersey, greater Philadelphia and metropolitan New York City. OceanFirst Bank delivers commercial and residential financing solutions, trust and asset management and deposit services.





New York Region



Daniel J. Harris
Regional President

Central Region



George Destafney
Regional President

Philadelphia Region



Susanne Svizeny
Regional President

Southern Region



Vincent M. D'Alessandro
Regional President

FINANCIAL SUMMARY

At or for the year ended December 31,

2020

2019

2018

2017

SELECTED FINANCIAL CONDITION DATA

Total assets	\$11,448,313	\$8,246,145	\$7,516,154	\$5,416,006
Loans receivable, net	7,704,857	6,207,680	5,579,222	3,965,773
Deposits	9,427,616	6,328,777	5,814,569	4,342,798
Stockholders' equity	1,484,130	1,153,119	1,039,358	601,941

SELECTED OPERATING DATA

Net interest income	312,951	255,971	240,502	169,218
Other income	73,926	42,165	34,827	27,072
Operating expenses ⁽¹⁾	246,431	189,142	186,337	126,520
Net income ⁽¹⁾	63,309	88,574	71,932	42,470
Diluted earnings per share ⁽¹⁾	1.02	1.75	1.51	1.28

SELECTED FINANCIAL RATIOS AND OTHER DATA ⁽¹⁾

Tangible common stockholders' equity per common share at end of period	14.98	15.13	14.26	13.58
Cash dividends per common share	0.68	0.68	0.62	0.60
Tangible stockholders' equity to tangible assets	8.79 %	9.71 %	9.55 %	8.42 %
Return on average assets ⁽¹⁾	0.56	1.10	0.98	0.80
Return on average tangible stockholders' equity ⁽¹⁾	6.81	11.96	11.16	9.82
Net interest margin	3.16	3.62	3.71	3.53
Operating expenses to average assets ⁽¹⁾	2.20	2.35	2.53	2.39
Efficiency ratio ⁽¹⁾	63.70	63.44	67.68	64.46
Non-performing loans as a percent of total loans receivable	0.47	0.29	0.31	0.52

(1) Performance ratios for 2020 includes net gain on equity investments, gain on sale of PPP loans, FHLB advance prepayment fees, merger related expenses, branch consolidation expenses, and Two River and Country Bank opening credit loss expense under the CECL model of \$14.3 million with an after tax cost of \$11.0 million. Performance ratios for 2019 include merger related expenses, branch consolidation expenses, non-recurring professional fees, compensation expense due to the retirement of an executive officer, and the reduction in income tax expense from the revaluation of state deferred tax assets as a result of a change in the New Jersey tax code of \$20.6 million with an after tax cost of \$16.3 million. Performance ratios for 2018 include merger related expenses, branch consolidation expenses, and an income tax benefit related to Tax Reform of \$28.2 million with an after tax cost of \$22.2 million. Performance ratios for 2017 include merger related expenses, branch consolidation expenses, and additional income tax expense related to Tax Reform of \$18.1 million with an after tax cost of \$13.5 million.



DEAR FELLOW SHAREHOLDERS,

The events of 2020 imposed nearly unimaginable challenges on people, communities and organizations across our nation and around the world. Yet, these challenging times also provided an opportunity to exhibit courage and leadership. And so, we begin this letter by thanking all the members of our OceanFirst team who showed their courage and leadership – along with compassion, professionalism, initiative and resiliency – in responding to the COVID-19 crisis, while keeping our colleagues and customers safe and maintaining vital financial services. As an organization, we also exhibited leadership in recovering from this difficult year, continuing to invest in talent and technology, and positioning OceanFirst for future growth.

From the onset of the pandemic, we knew our customers and communities would be counting on OceanFirst to provide a much-needed financial lifeline. Our response was informed by lessons learned during other periods of extreme hardship, such as the global financial crisis and catastrophic weather events. At a time when institutions and individuals alike would need to shift many day-to-day activities to digital platforms, we were a step ahead thanks to our multi-year efforts to invest in advanced technology to enable online and mobile banking solutions.

Christopher D. Maher *(left)*
Chairman of the Board and
Chief Executive Officer

Joseph J. Lebel III *(right)*
President and
Chief Operating Officer

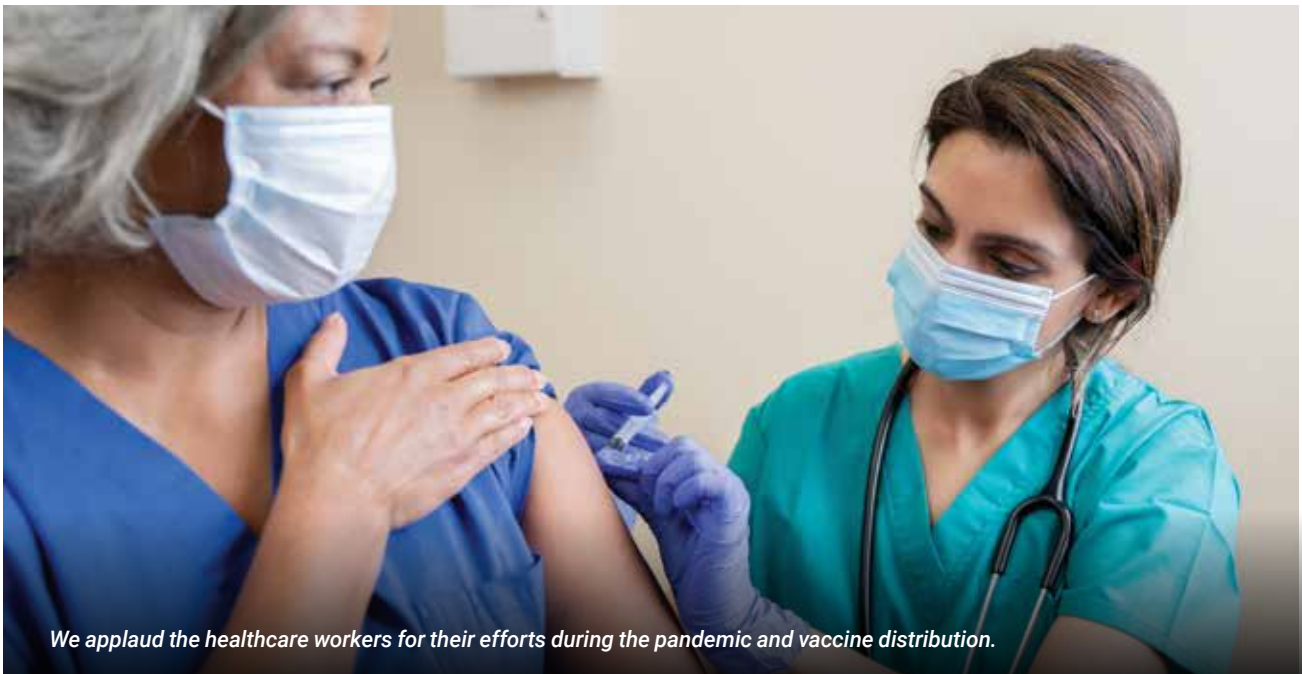
LEADERSHIP IN RESPONDING

Guided by prior experience, we recognized that to help our customers and neighbors withstand the hardships of COVID-19, and to preserve value for our shareholders, we first had to protect and support our own team members. The critical role that our colleagues played in ensuring the availability of our services and the resiliency of our operations cannot be overstated. Accordingly, our first priorities included transitioning as many employees as possible to a remote working environment, establishing protocols for employees who remained working in our branches and facilities, and offering additional paid time-off for employees whose lives were upended by the Coronavirus.

We were one of the first banks in the nation to launch a public, customer-focused COVID-19 assistance and loan forbearance program, beginning in mid-March 2020. Our borrower relief programs enabled business and consumer borrowers most severely affected by COVID-19 to defer certain loan payments and access

additional credit. We also ramped up quickly to participate in the Paycheck Protection Program (PPP). Even though we had not been a Small Business Administration (SBA) lender previously, we were “up and running” just a few days after the SBA’s launch of the PPP, and began processing PPP applications via a digital application interface that we built especially for that purpose. As of this writing, we have originated \$557 million in PPP loans to 3,451 borrowers – helping to preserve over 64,000 jobs.

To ease the hardships experienced by our neighbors, OceanFirst Foundation established a grant program to support non-profit organizations directly impacted by COVID-19. To date, over \$390,000 has been granted to 50 organizations, including shelter and housing providers, food banks, community health care providers, education and childcare programs, and others. Additionally, as the initial supplies of the COVID-19 vaccine became available in New Jersey, we partnered with several locally



We applaud the healthcare workers for their efforts during the pandemic and vaccine distribution.

headquartered banks and foundations to pledge \$275,000 to area hospitals and health care systems to support their vaccination efforts.

Given the uncertain economic environment, we also recognized that maintaining our institutional financial strength and resiliency would be of paramount importance. Drawing on our experience in prior economic crises, we quickly built balance sheet liquidity and augmented contingency funding. To enhance our capital, we issued \$181 million in subordinated debt and perpetual stock early in 2020. We also took measures to limit our credit risk by disposing of \$89.3 million in higher-risk loans. Through these and related actions, we fortified OceanFirst's liquidity and capital, and worked to reduce the pandemic's impact on our long-term earnings power.

LEADERSHIP IN RECOVERY

Despite the unprecedented challenges of the past year, OceanFirst remained a strong and profitable Company. For 2020, net income available to common stockholders was \$61.2 million, or \$1.02 per diluted share, compared to \$88.6 million, or \$1.75 per diluted share, for 2019. Our 2020 results reflected substantial provisions for credit losses due to increased credit reserves held against potential losses and net interest margin compression, both primarily related to the pandemic.

Positively, the fourth quarter of 2020 told a much stronger story, as our early and decisive actions in responding to COVID-19 drove an improvement in our financial performance. In fact, the Company set a record for quarterly GAAP earnings in the three months ended December 31, 2020, with net income available to common stockholders of \$32.1 million, including certain non-recurring gains, an increase of nearly 37% as compared to the fourth quarter of 2019. Diluted earnings per share rose to \$0.54 for the 2020 fourth quarter, up from \$0.47 per diluted share for the year-earlier period.

Our fourth quarter earnings rebound also was reflected in strong performance metrics. Return on average assets for the 2020 fourth quarter was 1.12%, nearly equal to the 1.14% level of the 2019 fourth quarter. Return on average tangible stockholders' equity was 13.85% for the 2020 fourth quarter, compared to 12.33% for the same period in 2019. Reflecting our efforts to control expenses, even in the face of higher COVID-driven costs, the efficiency ratio improved to 59.86% from 63.82% as compared to the fourth quarter of 2019.

"We knew our customers and communities would be counting on OceanFirst to provide a much-needed financial lifeline."

The successful completion and integration of two acquisitions in 2020 – Two River Bancorp (“Two River”) in New Jersey and Country Bank Holding Company, Inc. (“Country”) in New York – continued the strategic expansion of our OceanFirst franchise. Through these acquisitions, as well as organic growth, total assets rose to \$11.4 billion as of year-end 2020. Largely due to the additional market presence afforded by the acquisitions and our organic commercial lending expansion in the New York and Philadelphia metropolitan areas, net loans ended the year at \$7.7 billion. Deposits rose to \$9.4 billion, including \$1.5 billion from organic growth.

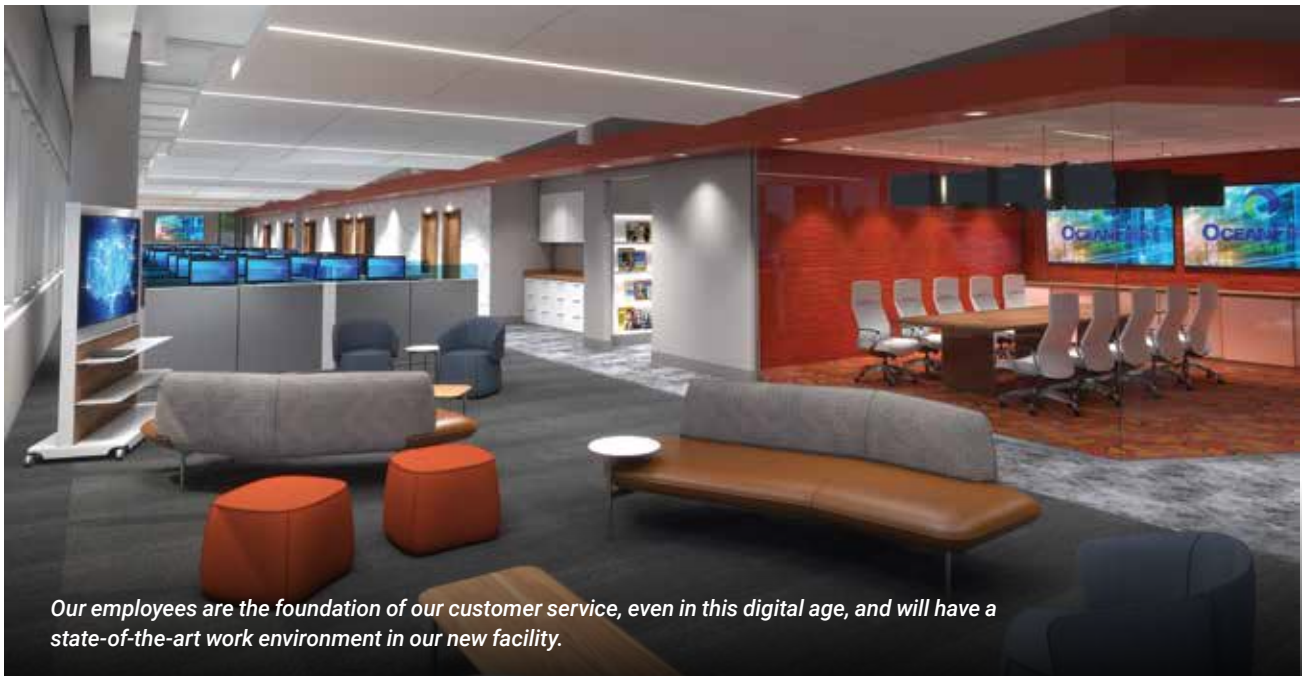
Due to our disciplined credit culture and prudent management of the loan portfolio during the pandemic, OceanFirst ended 2020 with its solid credit quality intact. At the peak, we had over \$1.4 billion of loans subject to forbearance for COVID-19 related requests; that number decreased to \$31 million (excluding loans on interest only status) at year-end. We reinforced our credit quality, in part, by selling \$89.3 million in under-performing loans during the year, mainly in the fourth quarter. While this action resulted in modest charge-offs, the reduction in underperforming loans allows our team to concentrate on driving organic growth in 2021, and has removed a possible impediment to our future earnings momentum. Reflecting our timely actions, non-accrual loans as of December 31, 2020, were 0.47% of total loans, compared to 0.29% a year earlier. The allowance for credit losses as a percent of total non-performing loans increased to 167% at December 31, 2020, up from 94% at December 31, 2019.

“Since our IPO in July of 1996, we are proud to have built a thriving regional bank while providing a total shareholder return of over 473%.”

POSITIONED FOR PERFORMANCE

OceanFirst’s ability to maintain relatively strong earnings and credit quality in a tough year is gratifying, but we must emphasize that the focus of our efforts went well beyond a single quarter or year. Throughout the disruption and uncertainty caused by COVID-19, our team never took their eyes off the long-term goal: positioning OceanFirst to emerge from the pandemic as a stronger company, ready to move on to our next phase of growth and value-creation. Consequently, we continued to invest in the people, plans and resources that will be essential to thrive in a post-pandemic business environment.

The expansion of our commercial banking franchise has been a key element of our plans to build a platform for profitable growth. In the past few years, we have broadened OceanFirst’s footprint into the New York City and Philadelphia metropolitan areas and added



Our employees are the foundation of our customer service, even in this digital age, and will have a state-of-the-art work environment in our new facility.

22 experienced commercial relationship managers and support personnel. The acquisitions of Two River and Country further deepened our market penetration and increased our talent pool. Our organic loan production of \$2.2 billion for 2020 is in large part a reflection of this approach. We plan to continue our commercial banking expansion initiatives in 2021 by adding seasoned loan teams in new Loan Production Offices (LPOs) located in selected attractive East Coast and Middle Atlantic metropolitan markets. As of this writing, we recently opened an LPO in Hasbrouck Heights, NJ, to serve the northern part of the state, and are considering additional locations in Pennsylvania and other major metropolitan regions throughout the Northeast.

We also have continued to pursue a long-established strategy of investing in digital banking capabilities. Pandemic-related restrictions on both people and organizations have accelerated a number of trends that were already in place, such as the digitalization of commerce and a shift to more flexible work policies. We are

extremely well-positioned to thrive in this dynamic environment. Our investments in technology have prepared the Bank for significant volume increases in our digital products and services. Online account openings in 2020 were up 148% from the prior year, while interactions with video tellers increased 32% over the same period. In fact, our video bankers have now completed more than 200,000 video transactions for our clients. We are also seeing positive results from our partnership with and capital investment in Nest Egg, a hybrid “robo-advisor”. At the end of 2020, Nest Egg’s assets under administration were nearly \$100 million – well more than double the year-ago level. Nest Egg also benefited from our early embrace of video, as more than 2,700 financial consultations were completed over video since launching this service.

There are a number of other initiatives underway, which respond to the changing needs of consumers and businesses. For example, our Customer Care Center was ready and able to serve customers who no longer had

access to branch offices due to pandemic restrictions. Calls handled by our Customer Care Center agents were up 31.9% in 2020. We are in the process of re-envisioning and upgrading the Customer Care Center as part of the expansion of our headquarters campus under construction in Toms River, NJ. This 80,000 square-foot expansion and renovation of our existing campus includes a dedicated area to create and nurture relationships with our customers through interactions by phone, video and chat. We have also created a secure, state-of-the-art Security Operations Center to coordinate Company-wide efforts to protect our customers and their data from a variety of threats, including cybersecurity breaches and weather incidents.

With many customer transactions shifting to digital channels, we are rethinking the function and format of our brick-and-mortar branches. We will be enhancing several locations based on what we are calling our “super branch” model. Conceived as regional hubs, these

super branches will not have traditional teller lines, but rather will provide a welcoming, open environment where universal bankers can assist customers with a wide range of transactions, products and services, and financial advisory needs. The first of these new-style branches opened in December at our headquarters campus in Toms River, and we will also use this design for our first-ever retail location in Philadelphia, which is expected to open in Center City in July. Future new or redesigned branches are also planned for Brick Township and Point Pleasant, NJ.

Early in 2021, we expanded our range of digital financial services by making a non-controlling equity investment in Auxilior Capital Partners, Inc. (“Auxilior”). Based in Pennsylvania and operating nationally, Auxilior is a provider of asset-based supply chain finance services for clients including manufacturers, dealers, franchise partners and end-user customers, using a technology-enabled credit and documentation platform. This investment





Our employees are our dedicated WaveMakers helping our neighbors.

provides OceanFirst with access to a set of financing solutions that complement our existing commercial credit services, broaden our client base and geographic scope, and build upon the technology expertise of the Auxilior team. Our investment in Nest Egg provided the model for this association with Auxilior.

One thing that is abundantly clear from the vast changes taking place in technology, customer needs and business models, is that companies must become more aggressive in attracting and cultivating a new generation of employees with diverse backgrounds, skills and perspectives. This need became even more apparent in 2020 following the protests over racial injustice, as well as the inequitable human and economic toll of COVID-19. For banking institutions in particular, who are entrusted with serving the financial needs of our communities, there must be a greater effort to hire and promote people who look like those communities.

At OceanFirst we believe that a commitment to diversity and inclusion must begin at the highest levels of any organization. We are proud that four of the members of our Board of Directors are women, including one Black and one Latina member. In 2020, we welcomed Dr. Patricia L. Turner as the newest member of our Board. Dr. Turner is a prominent Black physician, medical educator and advocate for quality patient care. She currently serves both as director of the division of member services for the American College of Surgeons, and as a clinical associate professor of surgery at The University of Chicago School of Medicine. At a time when healthcare is an increasingly important issue for customers, employees and communities, as well as a major contributor to our region's economy, Dr. Turner's credentials make her a valuable addition to the Board.

We will continue to work diligently to improve our performance with respect to diversity and inclusion, extending from Board and executive leadership to every level of the Company.

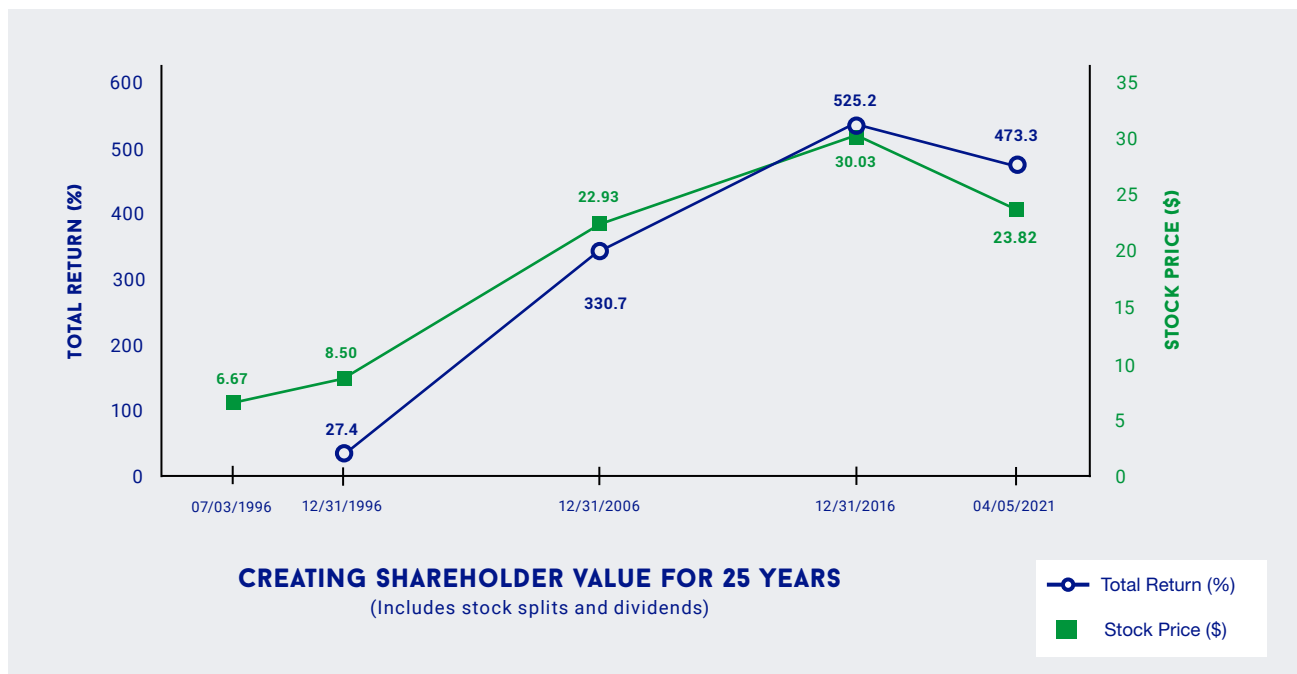
A STRATEGY OF LEADERSHIP

In July 2021, OceanFirst will celebrate a milestone: the 25th anniversary of our initial public offering (IPO). Since our IPO in July of 1996, we are proud to have built a thriving regional bank while also providing a total shareholder return of over 473%, as of April 5, 2021. At our conversion to a stock entity we also pioneered the first-ever bank foundation created in connection with an IPO, the OceanFirst Foundation. To-date, OceanFirst Foundation has provided over \$40 million of grants to non-profits in our community. Our Company has clearly demonstrated that we can “do good while also doing well.”

Many aspects of our industry, the global economy, and the needs of our customers and communities have changed in the intervening quarter-century. The changes brought about by the pandemic and other forces in the past year alone will be felt for years to come. That said, at OceanFirst we will continue to be guided by a consistent strategic

vision, to lead in innovation, service, growth and value, with an emphasis on the following elements:

- Expanding and diversifying our talent pool and geography, especially in commercial banking, to support organic growth while maintaining our exceptional service and strong financial performance.
- Pursuing expansion opportunities, through organic means and targeted acquisitions, to drive high quality, profitable growth.
- Continuing to invest in the technologies, systems and capabilities that will support innovation, quality service and operating efficiency.
- Further developing and scaling our internal control and risk management systems and processes to support our aspirations as a successful regional banking institution.
- Continuing to manage our capital, liquidity, credit quality and expenses in a manner that will enhance OceanFirst’s ability to deliver sustainable growth and increasing shareholder value.





Let us conclude as we began, by thanking our team members for their exceptional performance during an extremely difficult year. We have always known that we have an extraordinary group of people at OceanFirst, but they once again demonstrated remarkable spirit, ingenuity and dedication, and for that we are deeply grateful. We also appreciate the confidence placed in OceanFirst by our customers and stockholders, and the sound guidance provided by our Board of Directors. We will continue to work diligently to be worthy of your support, by leading with integrity, determination, and a passion for excellence.

“At OceanFirst, we will continue to be guided by a consistent strategic vision, to lead in innovation, service, growth and value.”

Christopher D. Maher
Chairman of the Board
and Chief Executive Officer

Joseph J. Lebel III
President and
Chief Operating Officer

OCEANFIRST FINANCIAL CORP.

OCEANFIRST BANK

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and Chief Executive Officer

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Two River Bancorp

Joseph M. Murphy, Jr.

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Consultant

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FINANCIAL CORP.**

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Chairman of the Board,

President and Chief Executive Officer

Joseph J. Lebel III

Chief Operating Officer

Michael J. Fitzpatrick

Executive Vice President and

Chief Financial Officer

Steven J. Tsimbinos

Executive Vice President and

Corporate Secretary

Grace M. Vallacchi

Executive Vice President and

Chief Risk Officer

Jill Apito Hewitt

Senior Vice President and

Investor Relations Officer

Angela K. Ho

Senior Vice President and

Chief Accounting Officer

David R. Howard

First Senior Vice President and

Treasurer

B. Matthew McCue

Vice President and

Assistant Corporate Secretary

OCEANFIRST BANK

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Chief Executive Officer

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President and

Chief Operating Officer

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Executive Vice President

Chief Administrative Officer

Michael J. Fitzpatrick

Executive Vice President

Chief Financial Officer

Anthony Giordano III

Executive Vice President

Chief Retail Banking Officer

Stanley J. Koreyva

Executive Vice President

Commercial Construction

& Real Estate

Karthik K. Sridharan

Executive Vice President

Chief Information Officer

Steven J. Tsimbinos

Executive Vice President

General Counsel

Grace M. Vallacchi

Executive Vice President

Chief Risk Officer

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Southern New Jersey

George Destafney

Central New Jersey

Daniel J. Harris

Metropolitan New York

Susanne Svizeny

Greater Philadelphia

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Carlo Alibrandi

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Thomas A. Ando

Commercial Lending

Nina Anuario
Government Banking

Lauren S. Bell
Human Resources

Michelle J. Berry
Residential Loan Originations

Murtuza Bhinderwala
Application & Information Services

Janet M. Bossi
Residential Loan Originations

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Shannan Boyd
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Retail Banking

Sharon L. Danielson
Retail Customer Service

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Deputy Chief Credit Officer

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Commercial Lending

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Commercial Credit Administration

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Investor Relations & Corporate Communications

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Secondary Market & Construction Lending

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Commercial Lending

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Nancy L. Mazza
Retail Product Sales

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Commercial Lending

Neena M. Miller
Chief Credit Officer

Timothy Moffett
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Michael C.K. Moorhead
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Edward K. Moran
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Veronica Morey
Retail Banking

Patricia A. Nelson
Human Resources

Elizabeth A. Nugent
Risk Management

Rachel M. O'Keefe
Trust & Asset Management

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Jeana M. Piscatelli
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Michele A. Powelczyk
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Bradford Sahler
Treasury Management

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Alicia F. Smith
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AnnMarie Sorena
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Kellie M. Spawton
Security

Noel M. Spear
Real Estate Operations

Melissa Sterling
Treasury Management

Frank W. Sutton
Commercial Lending

William G. Toner
Chief Technology Officer

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Commercial Lending

Suzanne L. Wegryn
Commercial Credit Administration

William Winans
Commercial Lending

Eric H. Wong
Commercial Lending

Wendy L. Wright
Commercial Credit Administration



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HEADQUARTERS (HQ2) ADMINISTRATIVE OFFICES

110 West Front Street
Red Bank, NJ 07701

HEADQUARTERS (HQ1) OPERATIONS CENTER

975 Hooper Avenue
Toms River, NJ 08754-2009

ANNUAL MEETING OF SHAREHOLDERS

The Annual Meeting of Stockholders will be held on May 19, 2021 at 9:00 a.m. Stockholders may participate in a virtual meeting. Instructions to access the virtual meeting will be mailed to all stockholders eligible to participate and is available at the Investor Relations area at www.oceanfirst.com.

INVESTOR RELATIONS

Copies of the Company's earnings releases and financial publications, including the annual report on Form 10-K (without exhibits) filed with the Securities and Exchange Commission are available without charge by contacting: Jill Apito Hewitt, Senior Vice President, Extension 7516 or investorrelations@oceanfirst.com

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP
51 John F. Kennedy Parkway
Short Hills, NJ 07078

STOCK TRANSFER AND REGISTRAR

Shareholders wishing to change the name, address or ownership of stock, to report lost certificates or to consolidate accounts are asked to contact the Company's stock registrar and transfer agent directly: Broadridge Corporate Issuer Solutions
P.O. Box 1342
Brentwood, NY 11717
(877) 724-6454

